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The Effects on Workers in the Privatization Process in Taiwan

A case study: An empirical Analysis of privatizing SOEs

Jung-chin Chen

International Graduate School of Management
University of South Australia
cyc168@ms6.hinet.net

Abstract

This research aims at empirical analysis the effects on workers in the privatization process from a broad range of perspectives including employees, managers and representatives of labor union. Also of interest is the relationship between these variables and six measures of the effects on workers in the privatization process, such as gender, age, salary, level of education, level of position and years of experience.

The results had rejected our hypothesis (H1) of independence. It has noted that part of variables significant a relationship were observed on six measures of the effects of workers with these variables: gender, age, level of education, level of position, years of experience and salary.

Finally, the research suggests that the government, when implementing privatization policy, should consult the useful measures of industrialized countries and consider the effects on workers. Six useful strategies should be developed to enhance communication with workers and publicity, so as to adjust the resistance mentality of working for the implementation of the privatization policy.

1.1 Motivation

As the state-owned enterprises (SOEs) in Taiwan now face the great impacts and organizational change (OC) brought by privatization, liberalization and globalization, this time can be considered wartime. Following privatization of SOEs, management style and working environment have been changed rapidly. The change of the working environment has made a noTable impact on the working conditions and job security of the employees. Clearly, privatization policy has many social and economic impacts. Thus, even though privatization of SOEs has become the major trend of development for many countries in the world, promotion of privatization can easily incur strong resistance from workers. During this period of transition, the author has found leadership crises exist within the enterprise. The relationship between leadership style and worker commitment has examined by Blau (1985). A consideration leadership style was found to have a greater influence than a concern for structure leadership style (or task-oriented style) on commitment. Also, Williams and Hazer (1986) included consideration leadership style as one of their antecedents to commitment.[1][2]

It is necessary to develop an effective measure and to establish new leadership style between organization and workers through communication so as to transform

resistance into assistance. The research aims at exploring the effects on workers in the privatization and to provide leaders with useful leadership strategies as reference.

1.2 Objective

The main aim of this study is to investigate the effects on workers in the privatization process. Also of interest is the relationship of these variables with workers commitment on six factors, such as gender, age, salary, level of education, level of position and years of experience.

Hypothesis 1 (H1)

There is statistically significant no difference in the these variables with six measures of the effects on workers such as gender, age, salary, level of education, level of position and years of experience.

2. Research Methodology

2.1 Sampling Plan

The sampling included workers, managers and representatives of labor union of a large scale SOEs selected in Taiwan (omit).

Questionnaires will be mailed or emailed to workers, managers and representatives of labor union of the sampled SOEs. The sampling characters of questionnaires survey were shown in Table 1.

A Chi-square goodness of fit test on sampling and population was carried out to test gender, age and level of position as shown in Table 2. For the item of gender, the respondent of statistics ($X^2=2.428 < 3.841$, at the 0.05 level of significance) was accepted. For the item of age, the respondent of statistics ($X^2=12.472 < 15.507$, at the 0.05 level of significance) was accepted. For the item of level of position, the respondent of statistics ($X^2=12.472 < 15.507$, at the 0.05 level of significance) was accepted.

Table 1 Sampling Characters

Item	Variety	Sample(N)	Sample(%)
Gender	Male	792	91.7
	Female	73	8.3
Age	25 below	4	0.5
	25-34	123	13.9
	35-44	328	37.5
	45-55	305	34.7
	55 above	117	13.4
Level of education	Junior school	45	5.2
	Senior school	278	31.7
	Polytechnic Diploma	356	40.6
	University	160	18.3

	Post graduate above	37	4.2
Level of position	Top manager	11	1.3
	Mid manager	27	4.2
	Grass-roots cadre	115	13.1
	Worker	713	81.4
Years of experience	5 below	54	6.2
	5-15	132	15.3
	15-20	244	27.9
	20 above	446	50.9
Salary (per month)	NT\$30000 Below	3	0.3
	NT\$30000-50000	194	22.1
	NT\$50000-70000	589	67.2
	NT\$70000-90000	64	7.3
	NT\$90000 Above	26	3.0

Table 2 Chi-square goodness of fit test on Sampling

Item	Variety	Sample(%)	P (%)	Chi-square test
Gender	Male	91.7	89.3	Statistics ($\chi^2=2.428$) is lower than the value (3.841) at the (0.05) level of significance.
	Female	8.3	10.7	
Age	25 below	0.5	1.2	Statistics ($\chi^2=12.472$) is lower than the value (15.507) at the (0.05) level of significance.
	25-34	13.9	15.2	
	35-44	37.5	39.2	
	45-55	34.7	31.8	
	55 above	13.4	112.6	
Level of position	Top manager	1.3	1.3	Statistics ($\chi^2=7.644$) is lower than the value (7.815) at the (0.05) level of significance.
	Mid manager	4.2	3.4	
	Grass-roots cadre	13.1	12.7	
	Worker	81.4	82.4	

2.2 Data-gathering instruments

A survey questionnaire was developed to measure the responses for the six constructs of the effects on workers. Some of six constructs were refined by deleting a few items from the original list of items. Thus, using a rigorous statistical scale validation technique, the survey instrument, consisting of the refined six constructs shown in Table 3 (Chen, 2002, 2003), was developed.[3][4]

One instrument used in this study was a 25-item questionnaire adapted from Chen (2002, 2003). The questionnaire consisted of 25 items on 5-point Likert scale. On each of the 25 items workers were asked to indicate from 1 (strongly disagree) to 5 (strongly agree).[3][4]

2.3 Respond

Questionnaires were mailed or e-mailed to workers and managers of the sampled SOEs with a request to forward these to workers and manager in the department of the sampled SOEs. The survey will be conducted in three waves, spaced six weeks apart. Of the total 1450 questionnaires mailed or e-mailed, the author will expect about 865 completed and usable questionnaires were returned, yielding a 59.6 per cent response rate.

3. Data Analysis and Finding

3.1 Foreword

In this section, for each of the six measures, a Chi-squared test was carried to test the workers commitment and classification. It is interesting to examine the factors on workers in privatisation which it is felt have contributed significantly to workers and SOEs. A brief analysis of the six measures follows.

3.2 The analysis of the effects of workers on Six Factors

Chi-square test on safeguard of workers' rights and interests

With respect to Chi-square test on safeguard of workers' rights and interests represented by the items shown in Table 5. Through the analysis of Chi-square test, results showed that only the variable of years in experience in the personal condition had obvious variation at the (0.008) level of significance. The larger proportion significant, there were workers of the lower level of position stressed the importance of safeguard of workers' rights and interests.

Chi-square test on compensation of potential loss

With respect to Chi-square test on compensation of potential loss represented by the items shown in Table 7. Through the analysis of Chi-square test, results showed that 3 variables: age, years in experience and salary of per month in the personal condition had obvious variation. The item of age showed workers (55 above) having the highest commitment and workers (25 below) having the lowest commitment. The item of years of experience, at the (0.007) level of significance, indicated workers' agreement with the years of experience increasing however increasing. The item of salary of per month, at the (0.001) level of significance, indicated workers' agreement with salary increasing however increasing.

Chi-square test on education and communication

With respect to Chi-square test on education and communication represented by the items shown in Table 9. Through the analysis of Chi-square test, results showed which 4 variables: age, level of position, level of education and salary of per month in the personal condition had obvious variation. The item of level of education indicated that almost 70 per cent workers agree to factor 3, but only 60 per cent workers (post graduate above) agree to factor 3. The item of age showed workers' commitment with age decreasing however increasing. The item of level of position indicated workers' commitment with position decreasing however increasing. The item of salary of per month indicated workers' commitment with salary increasing however decreasing.

Chi-square test on leadership trusts and employee

consultation

With respect to Chi-square test on leadership trusts and employee consultation represented by the items shown in Table 11. Through the analysis of Chi-square test, results showed that 2 variables: level of education and years in experience in the personal condition had obvious variation. The item of level of education indicated that workers' disagreed to education increasing however increasing; over 70 per cent workers (post graduate above) disagree to factor 4. The item of level of position indicated mid manager having higher disagree and worker having lower disagree.

Chi-square test on participation of employees and the labor union

With respect to Chi-square test on participation of employees and the labor union represented by the items shown in Table 13. Through the analysis of Chi-square test, results showed that 3 variables: age, level of position and salary of per month in the personal condition had obvious variation. The item of age showed workers (45-55) having the lowest agreement and workers (25 below and 55 above) having the highest agree. The item of level of position indicated workers' agreement with position increasing however increasing. The item of salary of per month indicated workers' agreement with salary increasing

Chi-square test on encourage the employees to learn and to cultivate a second specialty

With respect to Chi-square test on encourage the employees to learn and to cultivate a second specialty represented by the items shown in Table 14. Through the analysis of Chi-square test, results showed which 4 variables: age, level of position, level of education and salary of per month in the personal condition had obvious variation. The item of level of education indicated that workers (senior school) is the higher agreement than workers (junior school) on factor 6. The item of age showed workers (25 below) are the lower agreement. The item of level of position indicated workers' commitment with position increasing however increasing. The item of salary of per month indicated workers' commitment with salary increasing however increasing.

4. Discussions and Suggestions

4.1 Discussions

The effects on workers in the privatization process, the analysis of six factors is presented from Table 3 to Table 15. The relationship of these variables with workers commitment on six measures, such as gender, age, salary, level of education, level of position and years of experience are shown in Table 5, 7, 9, 11, 13 and 15. Years of experience in the personal condition have a significant relationship on safeguard of workers' rights (see Table 5). Age, years in experience and salary of per month in the personal condition had obvious variation on compensation of

potential loss (see Table 7). Age, level of position, level of education and salary of per month in the personal condition had obvious variation on education and communication (see Table 9). Level of education and years in experience in the personal condition had obvious variation on leadership trusts and employee consultation (see Table 11). Age, level of position and salary of per month in the personal condition had obvious variation on participation of employees and the labor union represented (see Table 13). Age, level of position, level of education and salary of per month in the personal condition have a significant relationship on encourage the employees to learn and to cultivate a second specialty (see Table 15).

The results had rejected our hypothesis (H1). It has noted that part of variables significant difference were observed on six measures of the effects of workers in these variables: gender, age, level of education, level of position, years of experience and salary of per month.

4.2 Suggestions

The research has found various issues and impacts on workers in SOEs selected. Moreover, the research has worked out six effective measures for the government and decision-makers of the company to help them conduct successful communication with the staff, transform resistance into assistance and promote the policy of privatization.

During the process of privatization, workers' rights and interests staff ought to be taken into account and full communication should be ensured to reduce resistance. In the past, it is relatively easy to deal with substantial reforms of technology while analysis is needed to understand the reasons why workers reject reform.

Following lack of communication during the process of privatization, which leads to lack of consensus and resistance from workers. The labor union and workers are also against the company in the privatization process. Future decision-makers should prevent the labor union from political zing the issue of privatization, which will be delayed the promotion of privatization.

References

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- [2] Williams, L.J. and Hazer, J.T., "Antecedents and consequence of satisfaction and commitment in turnover models ", Journal of Applied Psychology, Vol. 72 No. 1, pp. 219-31, 1986.
- [3] Chen, "Measuring the Effects of Workers on Privatization in Taiwan", APDSI 7th Asia-Pacific Decision Sciences Institute Conference, 2002.
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Table 3 six measures of the effects on workers in privatization

Six factors	Sample Size N (%)	Strongly Agree N (%)	Agree N (%)	Neutral N (%)	Disagree N (%)	Strongly Disagree N (%)	M ₀	$\overline{X^2}$	S
Safeguard of workers' rights and interests (factor 1)	865 (100)	208 (24.0)	481 (55.6)	92 (10.6)	71 (8.2)	13 (1.5)	2	2.09	0.89
Compensation of potential loss (factor 2)	865 (100)	203 (23.2)	440 (50.3)	151 (17.3)	68 (7.8)	13 (1.5)	2	2.13	0.91
Education and communication (factor 3)	865 (100)	91 (10.5)	325 (37.4)	3029 (34.8)	117 (13.5)	34 (3.9)	2	2.63	0.97
Leadership trust and Employee Consultation (factor 4)	865 (100)	24 (2.9)	99 (11.8)	185 (22.0)	343 (40.8)	190 (22.6)	4	3.73	0.99
Participation of employees and the labor union ((factor 5))	865 (100)	96 (11.1)	383 (44.3)	157 (18.2)	186 (21.5)	45 (5.2)	2	2.66	1.09
Encourage the employees to learn and to cultivate a second specialty (factor 6)	865 (100)	209 (24.1)	479 (55.1)	149 (17.1)	19 (2.2)	13 (1.5)	2	2.02	0.79

Table 4 Measures on Safeguard of workers' rights and interests

Questions	Sample Size N (%)	Strongly Agree N (%)	Agree N (%)	Neutral N (%)	Disagree N (%)	Strongly Disagree N (%)	M ₀	$\overline{X^2}$	S
1. The employees who wish to remain in the work place will be guarantee for work	865 (100)	209 (24.0)	479 (55.6)	93 (10.6)	72 (8.2)	12 (1.4)	2	2.08	0.88
2. The employees would be influenced due to the privatization even with hard working	865 (100)	255 (29.4)	424 (48.6)	90 (10.3)	91 (10.3)	12 (1.4)	2	2.06	0.96
3. After privatization, the state share will be lower gradually; thus it would not influence the working rights	865 (100)	96 (11.0)	232 (26.7)	237 (27.3)	250 (28.7)	55 (6.3)	4	2.93	1.11
4. The employees will be benefit with reasonable protection due the stock options condition	865 (100)	119 (13.7)	325 (37.4)	164 (18.9)	211 (24.3)	30 (3.5)	2	2.68	1.10
5. The stock options condition will enable to boost the loyalty among employees and ease of promoting of the privatization	865 (100)	96 (11.1)	383 (44.3)	157 (18.2)	186 (21.5)	45 (5.2)	2	2.66	1.09
12. You agree the employees' working right will be reasonably guarantee by company after privatization	865 (100)	19 (2.2)	47 (5.4)	172 (19.9)	485 (52.9)	160 (18.5)	4	3.80	0.87

Table 5 Safeguard of workers' rights and interests (Chi-square test)

Item	Variety	Sample N (%)	Strongly Agree N (%)	Agree N (%)	Neutral N (%)	Disagree N (%)	Strongly Disagree N (%)	χ^2	p-value
Gender	Male Female	792(100) 73(100)	197(24.9) 11(15.1)	430(54.3) 51(69.9)	87(11.0) 5(6.8)	65(8.2) 6(8.2)	13(1.6) 0(0.0)	7.46	0.113
Age	25 below 25-34 35-44 45-55 55 above	3(100) 120(100) 323(100) 301(100) 115(100)	0(0.0) 26(21.6) 87(26.9) 69(22.9) 26(22.6)	3(100) 71(59.2) 159(49.2) 170(56.5) 76(66.1)	0(0.0) 12(10.0) 38(31.7) 32(11.0) 9(7.8)	0(0.0) 7(5.8) 36(11.1) 23(7.6) 4(3.5)	0(0.0) 4(3.3) 3(0.9) 6(2.0) 0(0.0)	43.12	0.091
Level of education	Junior school Senior school Polytechnic Diploma University Post graduate above	43(100) 271(100) 355(100) 158(100) 36(100)	15(34.9) 65(24.0) 82(23.1) 39(24.7) 7(19.4)	16(37.2) 146(53.9) 209(58.9) 87(55.1) 21(58.3)	9(20.1) 34(12.5) 33(9.3) 12(7.6) 4(11.1)	1(2.3) 20(7.4) 30(8.5) 16(10.1) 4(11.1)	2(4.6) 6(2.2) 1(0.3) 4(2.5) 0(0.0)	30.09	0.068
Level of position	Top manager Mid manager Grass-roots cadre Worker	11(100) 37(100) 115(100) 702(100)	2(18.2) 5(13.5) 38(33.0) 168(24.0)	9(81.8) 27(73.0) 48(41.7) 380(54.1)	0(0.0) 2(5.4) 16(13.9) 88(12.5)	0(0.0) 3(8.1) 12(10.4) 53(7.5)	0(0.0) 0(0.0) 1(0.9) 13(1.9)	12.82	0.382
Years of experience	5 below 5-15 15-20 20 above	52(100) 132(100) 243(100) 446(100)	12(23.1) 35(26.5) 56(23.0) 106(23.8)	28(53.8) 71(53.8) 119(49.0) 380(54.1)	10(19.2) 10(7.6) 34(14.0) 88(12.5)	2(3.8) 8(6.1) 30(12.3) 53(7.5)	0(0.0) 4(3.0) 4(1.6) 13(1.9)	38.34	** 0.008
Salary (per month)	NT\$30000 Below NT\$30000-50000 NT\$50000-70000 NT\$70000-90000 NT\$90000 Above	2(100) 189(100) 586(100) 64(100) 23(100)	1(50.0) 44(23.3) 144(24.6) 14(21.9) 5(21.7)	1(50.0) 94(49.7) 327(55.8) 42(65.6) 16(69.6)	0(0.0) 32(16.9) 59(10.1) 3(4.7) 0(0.0)	0(0.0) 15(7.9) 47(8.0) 5(7.8) 2(8.7)	0(0.0) 4(2.1) 9(1.5) 0(0.0) 0(0.0)	23.97	0.463
Level of significance *** P<0.001 ** P<0.01 * P<0.05									

Table 6 Measures on Compensation of potential loss

Questions	Sample Size N (%)	Strongly Agree N (%)	Agree N (%)	Neutral N (%)	Disagree N (%)	Strongly Disagree N (%)	M_0	$\overline{X^2}$	S
6. After privatization, the company shall calculate “the year of service” according to the superannuation from the Labor regulations, also ease of promoting of the privatization	865 (100)	94 (10.8)	251 (29.0)	143 (16.5)	278 (32.1)	101 (11.6)	4	3.05	1.23
7. It is reasonable to offer the severance pay (6+1 months) to its ex-employees	865 (100)	86 (9.9)	229 (26.3)	269 (30.9)	230 (26.4)	56 (6.4)	3	2.93	1.08
8. According to the compensation, all the workers' right shall be appropriately protected.	865 (100)	91 (10.5)	325 (37.4)	302 (34.8)	117 (13.5)	34 (3.9)	2	2.63	0.97
30. According to the current regulations, when privatize a state enterprise, government shall be liable for compensation if employees lose their “years of service”, superannuation, other applicable allowance	865 (100)	277 (32.1)	507 (58.7)	61 (7.1)	11 (1.3)	8 (1.0)	2	1.79	0.67

Table 7 Compensation of potential loss (Chi-square test)

Item	Variety	Sample N (%)	Strongly Agree N (%)	Agree N (%)	Neutral N (%)	Disagree N (%)	Strongly Disagree N (%)	X^2	p-value
Gender	Male Female	792(100) 73(100)	89(11.2) 2(2.7)	289(36.3) 36(49.3)	275(34.5) 27(37.0)	109(13.7) 8(11.0)	34(4.3) 0(0.0)	7.66	0.105
Age	25 below 25-34 35-44 45-55 55 above	3(100) 120(100) 324(100) 302(100) 116(100)	0(0.0) 17(14.2) 35(10.8) 24(8.0) 13(11.3)	1(33.3) 56(46.7) 115(35.6) 96(31.9) 58(50.4)	2(66.7) 32(26.7) 113(35.0) 123(40.9) 32(27.8)	0(0.0) 10(8.3) 46(14.2) 49(16.3) 10(8.7)	0(0.0) 5(4.2) 75(4.6) 11(3.7) 2(1.7)	55.08	*** 0.007
Level of education	Junior school Senior school Polytechnic Diploma University Post graduate above	43(100) 272(100) 356(100) 158(100) 36(100)	7(16.3) 27(9.9) 32(9.0) 19(11.0) 6(10.7)	10(23.3) 92(33.8) 138(38.8) 67(42.1) 17(47.2)	17(39.5) 108(39.7) 120(33.7) 47(29.6) 10(27.8)	6(14.0) 31(11.4) 55(15.4) 20(12.6) 3(8.3)	3(7.0) 14(5.1) 11(3.1) 6(3.8) 0(0.0)	23.08	0.285
Level of position	Top manager Mid manager Grass-roots cadre Worker	11(100) 37(100) 115(100) 702(100)	1(9.1) 7(18.9) 8(7.0) 75(10.6)	6(54.5) 20(54.1) 51(44.3) 248(35.1)	4(36.4) 6(16.2) 43(37.4) 249(35.3)	0(0.0) 4(10.8) 14(12.2) 99(14.0)	0(0.0) 0(0.0) 0(0.0) 34(4.8)	22.82	0.029
Years of experience	5 below 5-15 15-20 20 above	52(100) 132(100) 245(100) 446(100)	13(25.0) 13(9.8) 26(10.7) 39(8.7)	26(50.0) 55(41.7) 71(29.1) 174(39.0)	9(17.3) 43(32.6) 97(39.8) 154(34.5)	2(3.8) 10(7.6) 36(14.8) 68(15.2)	2(3.8) 7(5.3) 14(5.7) 11(2.5)	55.49	*** 0.000
Salary (per month)	NT\$30000 Below NT\$30000-50000 NT\$50000-70000 NT\$70000-90000 NT\$90000 Above	2(100) 189(100) 587(100) 64(100) 23(100)	0(0.0) 21(11.1) 60(10.2) 6(9.4) 4(16.0)	0(0.0) 60(31.7) 221(37.7) 36(56.3) 9(36.0)	2(100.0) 76(40.2) 199(34.0) 18(28.1) 9(36.0)	0(0.0) 22(11.6) 85(14.5) 4(6.3) 2(8.0)	0(0.0) 11(5.8) 22(3.7) 0(0.0) 1(4.0)	42.78	* 0.010
Level of significance *** P<0.001 ** P<0.01 * P<0.05									

Table 8 Measures on Education and communication

Questions	Sample Size N (%)	Strongly Agree N (%)	Agree N (%)	Neutral N (%)	Disagree N (%)	Strongly Disagree N (%)	M_0	$\overline{X^2}$	S
13. It is necessary to counsel with workers' union with the privatization's transform measures	865 (100)	227 (26.1)	550 (63.3)	69 (7.9)	19 (2.2)	4 (0.5)	2	1.87	0.67
16. You agree that the current promotion method and contents is sufficient to perform.	865 (100)	81 (9.4)	253 (29.2)	111 (12.8)	308 (35.6)	113 (13.0)	2	3.13	1.23
17. You agree that the company shall arrange the communication seminars to boost the communication between both parties.	865 (100)	87 (10.0)	229 (26.2)	270 (30.9)	230 (26.3)	57 (6.5)	3	2.93	1.08
15. The privatization policy is lack of communication from employees	865 (100)	11 (1.3)	80 (9.2)	238 (27.2)	379 (43.4)	166 (19.0)	4	3.71	0.91

Table 9 Education and communication (Chi-square test)

Item	Variety	Sample N (%)	Strongly Agree N (%)	Agree N (%)	Neutral N (%)	Disagree N (%)	Strongly Disagree N (%)	X^2	p-value
Gender	Male	792(100)	287(23.3)	401(50.0)	138(17.2)	64(8.0)	12(1.5)	1.37	0.850
	Female	73(100)	16(21.9)	29(53.4)	13(17.8)	4(5.5)	1(1.4)		
Age	25 below	3(100)	0(0.0)	2(66.7)	1(33.3)	0(0.0)	0(0.0)	61.97	** 0.001
	25-34	120(100)	38(30.9)	55(44.7)	16(13.0)	8(6.5)	3(2.4)		
	35-44	324(100)	88(26.8)	165(50.3)	47(14.3)	20(6.1)	6(1.8)		
	45-55	302(100)	63(20.7)	159(52.1)	54(17.7)	22(7.2)	6(2.0)		
	55 above	116(100)	16(13.7)	56(47.9)	28(23.9)	15(12.8)	0(0.0)		
Level of education	Junior school	43(100)	13(28.9)	19(42.2)	7(15.6)	3(6.7)	3(6.7)	34.03	* 0.026
	Senior school	272(100)	70(25.2)	149(53.6)	40(14.4)	14(5.0)	5(1.8)		
	Polytechnic Diploma	356(100)	75(21.1)	183(51.4)	61(17.1)	32(9.0)	5(1.4)		
	University	158(100)	37(23.4)	75(47.5)	29(18.4)	17(10.8)	0(0.0)		
	Post graduate above	36(100)	9(25.0)	13(36.1)	11(30.6)	2(5.6)	1(2.8)		
Level of position	Top manager	11(100)	1(8.3)	7(58.3)	1(8.3)	3(25.0)	0(0.0)	42.61	*** 0.000
	Mid manager	37(100)	5(13.5)	22(59.5)	8(21.6)	2(5.4)	0(0.0)		
	Grass-roots cadre	115(100)	32(27.8)	60(52.2)	17(14.8)	4(3.5)	2(1.7)		
	Worker	702(100)	165(23.2)	352(49.5)	125(17.6)	60(8.4)	11(1.5)		
Years of experience	5 below	52(100)	15(27.8)	22(40.7)	11(20.4)	2(3.7)	1(1.9)	26.01	0.165
	5-15	132(100)	40(30.3)	61(46.2)	16(12.1)	10(7.6)	2(1.5)		
	15-20	245(100)	62(25.2)	119(49.2)	43(17.8)	13(5.4)	6(2.5)		
	20 above	446(100)	86(19.5)	236(52.8)	79(17.7)	41(9.2)	4(0.9)		
Salary (per month)	NT\$30000 Below	2(100)	0(0.0)	1(50.0)	1(50.0)	0(0.0)	0(0.0)	11.51	*** 0.000
	NT\$30000-50000	189(100)	62(32.0)	91(46.9)	21(10.8)	8(4.1)	8(4.1)		
	NT\$50000-70000	587(100)	133(22.6)	302(51.3)	104(17.6)	43(7.3)	5(0.8)		
	NT\$70000-90000	64(100)	6(9.2)	32(50.8)	17(26.2)	9(13.8)	0(0.0)		
	NT\$90000 Above	23(100)	1(4.3)	10(43.5)	5(21.7)	6(26.1)	1(4.3)		
Level of significance *** P<0.001 ** P<0.01 * P<0.05									

Table 10 Measures on Leadership trust and Employee Consultation

Questions	Sample Size N (%)	Strongly Agree N (%)	Agree N (%)	Neutral N (%)	Disagree N (%)	Strongly Disagree N (%)	M_0	$\overline{X^2}$	S
19. Top manager has explained the procedures of reform and regulations to workers to build up their trust	865 (100)	81 (9.4)	253 (29.2)	111 (12.8)	308 (35.6)	113 (13.0)	2	3.13	1.23
20. Management worker relations in this company are satisfactory	865 (100)	94 (10.8)	251 (29.0)	143 (16.5)	278 (32.1)	101 (11.6)	4	3.05	1.23
18. Workers are satisfied with leadership of top manager	865 (100)	87 (10.0)	229 (26.2)	270 (30.9)	230 (26.3)	57 (6.5)	3	2.93	1.08
21. Top manager has pay attention to understand the feelings of workers and reduce unnecessary fear	865 (100)	19 (2.2)	47 (5.4)	172 (19.9)	485 (52.9)	160 (18.5)	4	3.79	0.88

Table 11 Leadership trust and Employee Consultation (Chi-square test)

Item	Variety	Sample N (%)	Strongly Agree N (%)	Agree N (%)	Neutral N (%)	Disagree N (%)	Strongly Disagree N (%)	X^2	p-value
Gender	Male Female	792(100) 73(100)	24(3.1) 0(0.0)	95(12.3) 4(5.6)	165(21.5) 20(21.8)	309(40.1) 34(47.2)	176(22.9) 14(19.4)	5.71	0.222
Age	25 below 25-34 35-44 45-55 55 above	3(100) 120(100) 324(100) 302(100) 116(100)	0(0.0) 4(3.3) 11(33.5) 8(2.6) 1(0.9)	0(0.0) 16(13.0) 32(9.7) 36(11.8) 15(12.8)	2(66.7) 25(20.3) 66(20.1) 67(22.0) 25(21.4)	0(0.0) 36(29.3) 122(37.2) 139(45.6) 46(39.3)	1(33.3) 32(26.0) 85(25.9) 55(18.0) 17(14.5)	41.56	0.120
Level of education	Junior school Senior school Polytechnic Diploma University Post graduate above	43(100) 272(100) 356(100) 158(100) 36(100)	3(6.7) 8(2.9) 10(3.0) 3(1.9) 0(0.0)	10(22.2) 39(14.2) 32(9.6) 13(8.3) 4(11.4)	9(20.0) 62(22.6) 69(20.8) 40(25.6) 5(14.3)	15(33.3) 108(39.4) 135(40.7) 66(42.3) 17(48.6)	4(8.9) 57(20.8) 86(25.9) 34(21.8) 9(25.7)	35.51	* 0.018
Level of position	Top manager Mid manager Grass-roots cadre Worker	11(100) 37(100) 115(100) 702(100)	0(0.0) 0(0.0) 4(3.5) 20(2.9)	0(0.0) 3(8.1) 10(8.8) 86(12.6)	4(36.4) 4(10.8) 26(23.0) 15(22.2)	4(36.4) 27(73.0) 45(39.8) 267(39.3)	3(27.3) 3(8.1) 28(24.8) 156(22.2)	24.51	* 0.017
Years of experience	5 below 5-15 15-20 20 above	52(100) 132(100) 245(100) 446(100)	2(3.7) 4(3.0) 9(3.7) 9(2.1)	7(13.0) 17(12.9) 29(11.9) 46(10.9)	12(22.2) 30(22.7) 49(20.2) 96(22.7)	14(25.9) 42(31.8) 99(40.9) 188(44.4)	15(27.8) 34(25.7) 57(23.5) 84(19.9)	19.13	0.513
Salary (per month)	NT\$30000 Below NT\$30000-50000 NT\$50000-70000 NT\$70000-90000 NT\$90000 Above	2(100) 189(100) 587(100) 64(100) 23(100)	0(0.0) 8(4.1) 15(2.5) 1(1.6) 0(0.0)	1(50.0) 27(13.9) 63(10.7) 6(9.8) 1(5.3)	1(50.0) 46(23.7) 123(20.9) 12(19.7) 4(21.1)	0(0.0) 61(31.4) 237(40.2) 35(57.4) 10(52.6)	0(0.0) 44(22.7) 134(22.7) 7(11.5) 4(21.1)	32.50	0.115
Level of significance *** P<0.001 ** P<0.01 * P<0.05									

Table 12 Measures on Participation of employees and the labor union (team decision)

Questions	Sample Size N (%)	Strongly Agree N (%)	Agree N (%)	Neutral N (%)	Disagree N (%)	Strongly Disagree N (%)	M_0	$\overline{X^2}$	S
14. It is necessary to counsel with workers' union with the privatization's transform measures	865 (100)	203 (23.2)	440 (50.3)	151 (17.3)	68 (7.8)	13 (1.5)	2	2.14	0.91
22. Workers' union and workers' suggestions have been accepted	865 (100)	11 (1.3)	80 (9.2)	238 (27.2)	379 (43.4)	166 (19.0)	4	3.70	0.90
23. Top manager with their workers to resolve problems	865 (100)	81 (9.4)	253 (29.2)	111 (12.8)	308 (35.6)	113 (13.0)	3	2.93	1.09

Table 13 Participation of employees and the labor union (Chi-square test)

Item	Variety	Sample N (%)	Strongly Agree N (%)	Agree N (%)	Neutral N (%)	Disagree N (%)	Strongly Disagree N (%)	X^2	p-value
Gender	Male Female	792(100) 73(100)	87(11.0) 6(8.2)	342(43.2) 41(56.2)	142(18.0) 15(30.5)	175(22.1) 11(15.1)	45(5.7) 0(0.0)	8.45	0.076
Age	25 below 25-34 35-44 45-55 55 above	3(100) 120(100) 324(100) 302(100) 116(100)	0(0.0) 15(12.2) 37(11.3) 27(8.9) 13(11.1)	0(0.0) 55(44.7) 130(39.6) 131(42.9) 65(55.5)	3(100.0) 16(13.0) 65(19.8) 54(18.7) 19(16.2)	0(0.0) 27(21.9) 68(20.7) 77(25.2) 15(12.8)	0(0.0) 7(5.7) 26(7.9) 10(3.3) 1(0.9)	61.89	** 0.001
Level of education	Junior school Senior school Polytechnic Diploma University Post graduate above	43(100) 272(100) 356(100) 158(100) 36(100)	3(6.7) 32(11.9) 37(10.4) 16(10.2) 5(13.9)	21(46.7) 118(43.7) 149(42.0) 73(46.5) 20(55.6)	8(17.8) 45(16.7) 67(18.9) 32(20.4) 5(13.9)	5(11.1) 58(21.5) 89(25.1) 28(17.8) 5(13.9)	5(11.1) 17(6.3) 13(3.7) 8(5.1) 1(2.8)	22.41	0.318
Level of position	Top manager Mid manager Grass-roots cadre Worker	11(100) 37(100) 115(100) 702(100)	0(0.0) 6(16.2) 10(8.8) 76(10.8)	9(81.8) 19(51.4) 58(50.9) 290(41.7)	2(18.2) 7(18.9) 23(20.2) 122(17.6)	0(0.0) 5(13.5) 22(19.3) 161(23.1)	0(0.0) 0(0.0) 1(0.9) 48(6.9)	23.88	* 0.021
Years of experience	5 below 5-15 15-20 20 above	52(100) 132(100) 245(100) 446(100)	6(11.1) 16(12.1) 23(9.5) 48(10.9)	24(44.4) 55(41.6) 95(39.1) 208(47.2)	10(18.5) 23(17.4) 54(22.2) 72(16.3)	9(16.7) 28(21.2) 48(19.8) 101(22.9)	3(5.5) 7(5.3) 23(9.5) 12(2.7)	24.84	0.208
Salary (per month)	NT\$30000 Below NT\$30000-50000 NT\$50000-70000 NT\$70000-90000 NT\$90000 Above	2(100) 189(100) 587(100) 64(100) 23(100)	0(0.0) 24(12.4) 58(9.8) 7(10.9) 3(13.0)	2(100.0) 72(37.1) 260(44.1) 36(60.9) 9(39.1)	0(0.0) 36(18.5) 106(18.0) 10(15.6) 7(30.4)	0(0.0) 42(21.6) 130(22.1) 8(12.5) 4(17.4)	0(0.0) 26(13.4) 29(4.9) 0(0.0) 0(0.0)	41.91	* 0.013
Level of significance *** P<0.001 ** P<0.01 * P<0.05									

Table 14 Measures on Encourage the employees to learn and to cultivate a second specialty

Questions	Sample Size N (%)	Strongly Agree N (%)	Agree N (%)	Neutral N (%)	Disagree N (%)	Strongly Disagree N (%)	M_0	$\overline{X^2}$	S
9. After privatization, the company shall offer training and re-employment towards to those who wish to leave.	865 (100)	209 (24.1)	479 (55.1)	149 (17.1)	19 (2.2)	13 (1.5)	2	2.02	0.79
10. During the progress of the privatization, the company shall try arrange or transfer to other work	865 (100)	176 (20.2)	404 (46.4)	102 (11.7)	142 (16.3)	46 (5.3)	3	3.11	0.92
11. The switching training and re-employment counseling will assist to progress the privatization	865 (100)	116 (13.3)	381 (43.8)	89 (10.2)	216 (24.9)	67 (7.7)	2	2.07	1.21
24. Workers have received formal second specialty training	865 (100)	19 (2.3)	150 (18.2)	175 (21.5)	306 (37.4)	168 (20.5)	3	3.56	1.07

